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RUEHCV/AMEMBASSY CARACAS 1365
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C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 000626

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SUBJECT: MNR CONFIDENT ABOUT THE CONSTITUENT ASSEMBLY

Classified By: Amb. David N. Greenlee for reasons 1.4 (b) and (d).

¶1. (C) Summary: In a meeting with Embassy officials on March 8, MNR Senator Miguel Majluf and MNR deputy Michiaki Nagatani expressed confidence about their party's prospects for the Constituent Assembly (CA) and satisfaction with the opposition's efforts to limit MAS power in the CA. They said we should expect the recent hiccups in the bilateral relationship to continue since President Morales is back on (or never left) the campaign trail for the July 2 election of CA representatives. Nagatani noted an increasing distance between Morales and Vice-President Garcia Linera, and attributed the success of the CA enabling law to the more "rational" Garcia Linera. Both noted the high Cuban and the more discreet Venezuelan profiles in Bolivia, hinting that the opposition would bring this "interference" to light. The purpose of the meeting was to answer Majluf's and Nagatani's questions about the Embassy cutting its support of a GOB anti-terrorism unit; after hearing the U.S. rationale, both said it is "understandable" and promised to educate their colleagues in Congress. After a slow start, it seems the political opposition may be shaping up, although limited financial resources may limit its potential. End summary.

¶2. (C) In a meeting with Embassy officials on March 8, MNR Senator Miguel Majluf and MNR deputy and former presidential candidate Michiaki Nagatani expressed confidence about their party's prospects for the CA and satisfaction with the opposition's efforts to limit MAS control over same. Even with limited resources, they believe the MNR can gain 10 percent of the total CA representatives. They opined that the MAS, with unlimited financial resources, could win approximately 46 percent (they estimate that the MAS controls 41 out of 70 electoral districts in Bolivia.) Somewhat exaggerating the MNR's role in moderating the CA legislation, Majluf stated that the MNR gained valuable ground, including the five representatives for each department in the CA, because he threatened to walk out of the Senate and cause the MAS to lose its quorum, Majluf said the GOB also knew it had to defer to the "media luna" (Santa Cruz, Tarija, Beni and Pando) to keep social peace. According to Majluf, the MNR also convinced Podemos, who wanted to boycott Congress, to attend the critical vote on the CA law because, according to a recent poll, 84 percent of Bolivians support the CA and

therefore, the opposition could not appear to oppose it.

¶3. (C) Majluf and Nagatani advised us to expect the recent hiccups in the bilateral relationship to continue since Morales is back on the campaign trail for the July 2 election of CA representatives. They said that Morales is likely to politicize minor issues (like the cancellation of visas) in an effort to gain support from his radical base and votes for MAS CA candidates.

¶4. (C) Nagatani noted an increasing distance between President Morales and Vice-President Garcia Linera, and attributed the success of the CA enabling law to the more "rational" Garcia Linera. Majluf described Morales as having lots of "complexes," and Garcia Linera as easier to work with because of his analytical and open nature. Both agreed that Garcia Linera is managing the CA process for the GOB.

¶5. (C) Both interlocutors noted the high Cuban and the more discreet Venezuelan profiles in Bolivia, hinting that the opposition would bring this "interference" to light. Nagatani said there are approximately 600 Cuban doctors working overtly in Bolivia, and that in Santa Cruz, the Cubans have rented all available luxury housing. Nagatani also said Cuba is sending planes full of low-income Bolivians to Cuba for "CA training," many without passports. Nagatani has asked the executive branch to identify Cubans/Venezuelans in country, but has not received any response. In response to ECOPOL counselor's question about why Bolivians are not commenting on Venezuelan influence in the various government ministries, Majluf said the people haven't objected because the Venezuelans have kept such a low profile. He thinks, however, that the Venezuelans will soon

LA PAZ 00000626 002 OF 002

begin to operate more openly, and as they do, opposition to their presence will increase.

¶6. (C) The purpose of the meeting was to answer questions posed by Majluf in his capacity as president of the defense committee in the Senate and by Nagatani, president of the Chamber of Deputies' international relations committee, regarding the Embassy discontinuing support of a GOB anti-terrorism unit. Instead of this topic dominating the meeting, both Majluf and Nagatani quickly accepted the U.S. rationale for the cut, calling it "understandable" in the context of inter-governmental cooperation (as opposed to assistance). Both appreciated the information and promised to educate their colleagues in Congress, but noted that all matters in the new Congress are complicated by the inexperience of the vast majority of members and the "sindicalist" posture of the new MAS deputies who are attempting to define and defend their "territory" in the absence of party leadership.

¶7. (C) Comment: After a slow start, it seems the political opposition may be shaping up. Opposition parties and civic organizations (particularly from the media luna) have been credited with preventing the CA law from facilitating the MAS's path to a more authoritarian regime. Given the number of opposition parties interested in presenting candidates for the CA (including the National Unity (UN), MNR, Podemos, MIR, Free Bolivia Movement (MBL) and Rene Joaquin's new Social Alliance) the opposition has a chance for a real presence in the Assembly. However, limited financial resources (especially on the part of the MNR and Podemos) may prove a tangible limit to the opposition's potential. End comment.

GREENLEE